

# Comments to the Transportation Committee of the California Energy Commission

William Platz

October 12, 2004

CleanFUEL USA



# The **CFUSA** Mission

## Vision

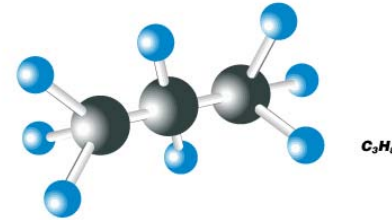
Significantly increase the use of propane as a clean air transportation fuel in California as well as the rest of the USA

## Goals

- Provide propane transportation fuel in a manner such that the user experience is the same as the use of gasoline
- To Save the Propane Customer \$\$ in Fuel Costs
- To offset up to 10% of gasoline and diesel used in the USA with Clean Burning Propane.

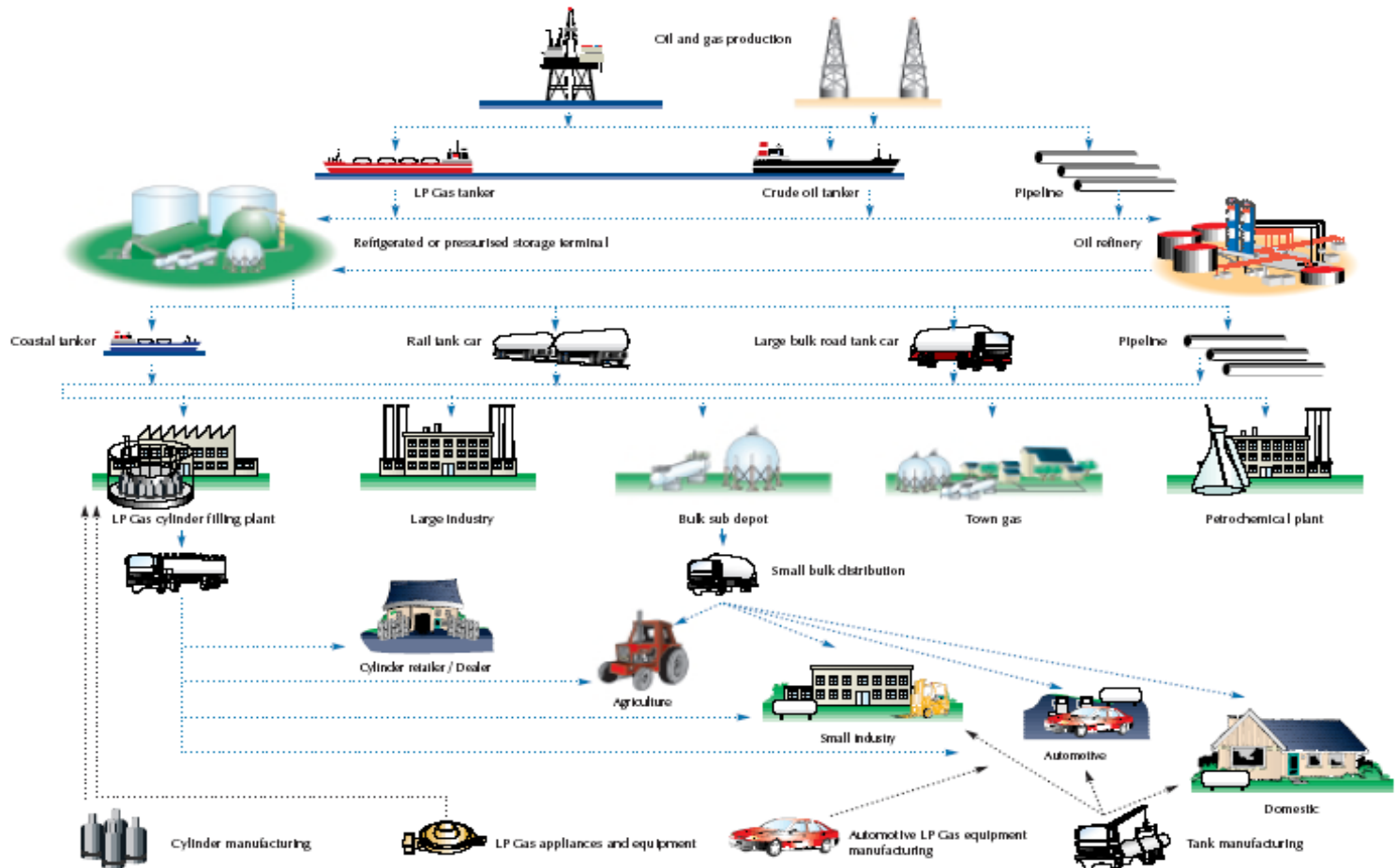
# Why Propane( $C_3H_8$ )?

- Simple Hydrocarbon-Burns Cleanly and is not a Ground Contaminant



- Abundant in the USA
  - ➔ Most of what we use is Produced in North America
    - 60% of that comes from Natural Gas
    - WLPGas Association predicts “brisk” growth in supplies as global flaring practices are eliminated
- Cost Competitive with Gasoline \$1.74/gl vs. \$2.39/gl gasoline
  - Can seasonally compete with Diesel
- Low Emission Fuel
  - ➔ Zero PM, Low CO, HC+NOx is less than 1.8 g/bhp-hr

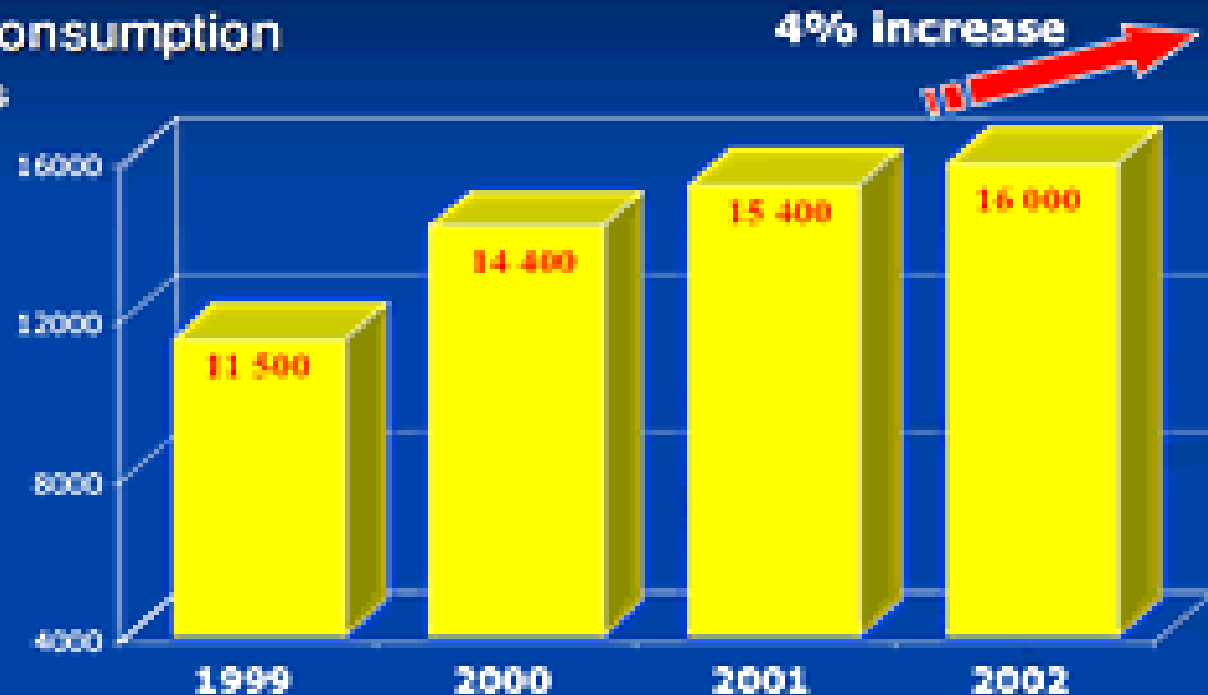
# The LP Gas Distribution Chain



# World Growth of Propane Use

## Global Autogas Growth

Global Consumption  
'000 Tonnes



Since 1990, Autogas has grown from 6.6 to 7.6% of total world LP Gas consumption

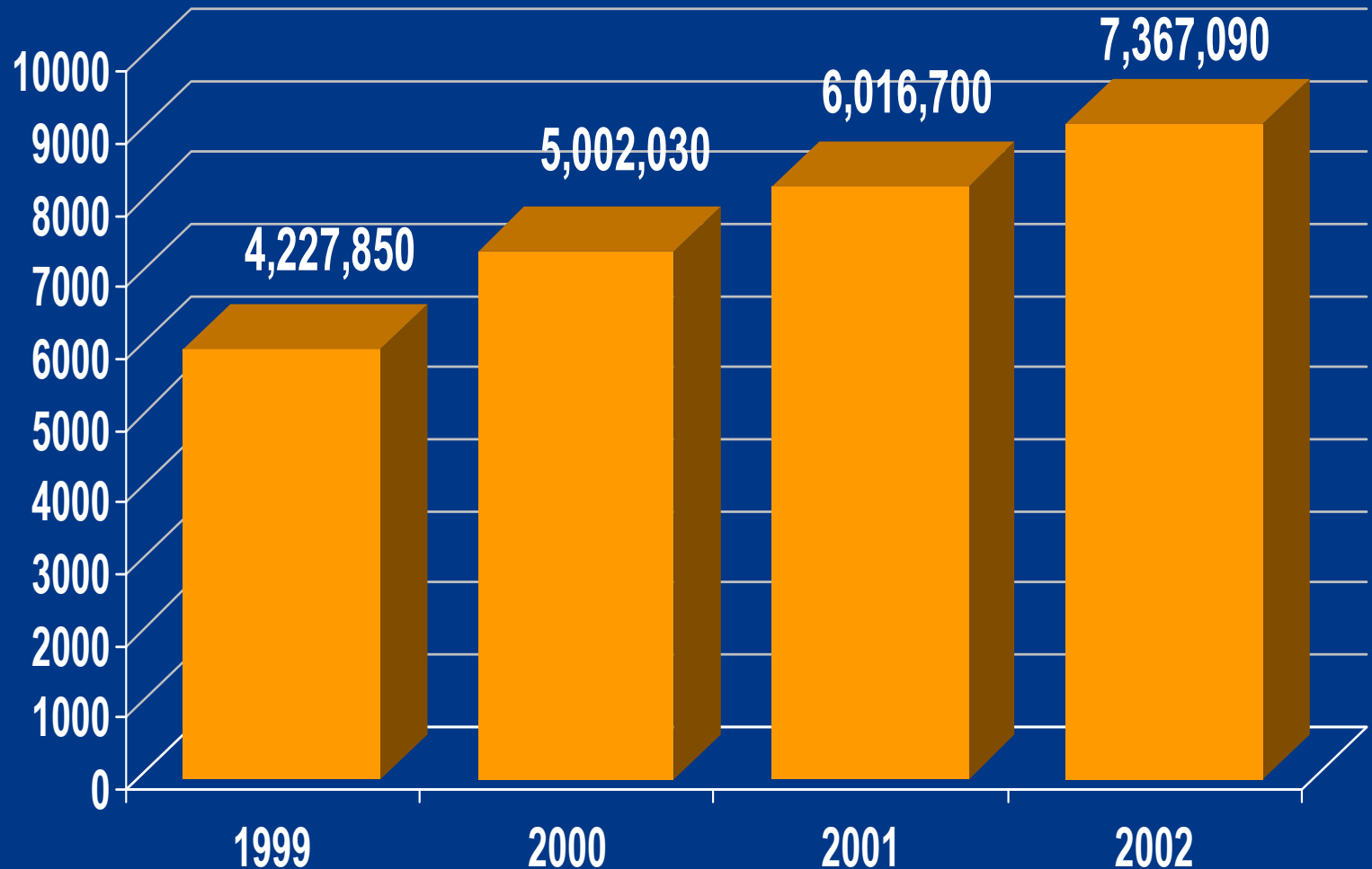
THE USA RANKS 9<sup>th</sup> OUT OF 38 COUNTRIES IN ITS  
USE OF PROPANE AS A TRANSPORTATION FUEL



**CleanFUEL**  
PROPANE MOTORFUEL USA



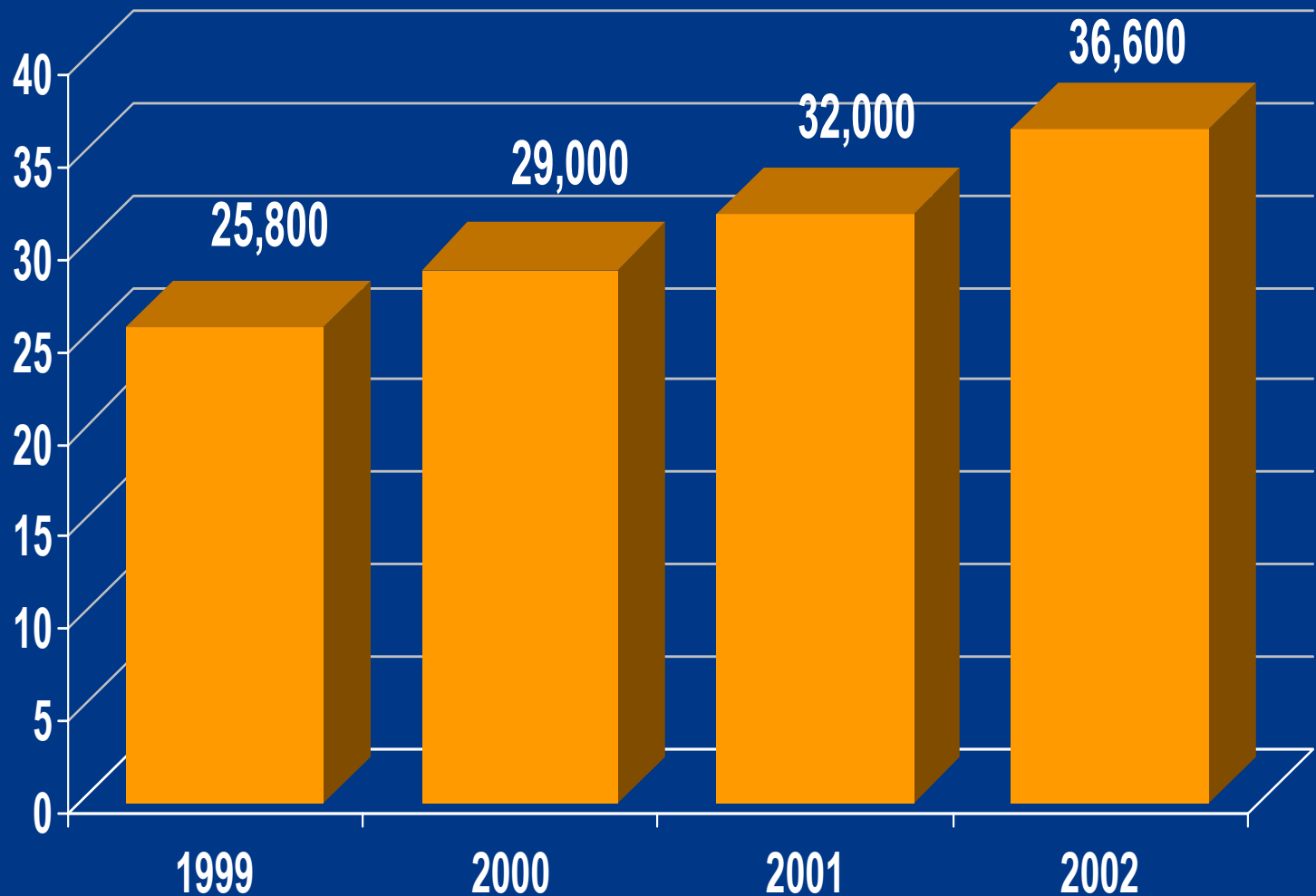
# *Global Propane Vehicle Growth*



**Number of Vehicles Worldwide**



# *Global Propane Infrastructure Growth*



**Number of Refueling Stations Worldwide**



**CleanFUEL**  
PROPANE MOTORFUEL USA

# The CleanFUEL USA Solution



- Strategically Located Refueling Sites in 5 States
  - Atlanta, Denver, Phoenix, Texas, California
  - Also Glacier Park in Wyoming
- Convenient 24/7 access
  - Self Serve-fuel when you need it- not limited to when the store is open
- Pricing less than gasoline
  - Fixed pricing contracts available
- Fleet Management Reporting
- Faster pumping Speeds (up to 20 gpm)





# CFUSA Access Card



- All Transactions Begin with the Use of the Card
  - Not Issued without Proper Safety Training
  - Use can be controlled at Georgetown home office
- Payment made with VISA, MC, Discover, WEX, Voyager
  - Or use CFUSA as a Proprietary Card!



# CFUSA California Sites



Sacramento (6 Future Sites)

Santa Clara

Paso Robles

San Luis Obispo

Santa Maria

Lost Hills (I-5 @ Hwy 46)

Bakersfield

Lancaster

Los Angeles (6 Future Sites)

Lakewood

Pomona

Tustin

San Diego (Regional Transit Center)

Future Sites Include Valencia, Sylmar, Arroyo Grande, Santa Barbara, and Others



**CleanFUEL**  
PROPANE MOTORFUEL USA

# *The CFUSA Advantage*

- Nationwidewide Public Access Refueling Network
  - Accessible 24 hours per day
- CFUSA Network can support private site locations
  - Same card works for private/public access
- State Currently Operates over 1,600 Ford Bi-fuel F150s
  - Using Propane could save CA ~\$425,000 in fuel costs and place them at 4% of EPA Act Targets
  - Today's Fuel Injection Technology can provide a gallon for gallon replacement of gasoline
- Use of Propane Helps Clear the Air by offsetting the use of dirtier fuels

# Propane-Powered Vehicles

- **OEM Products**

- Cummins 5.9L

- Street Sweepers

- Shuttles (LADOT, Ontario AP, Santa Clarita Transit)

- Trolleys

- **Technology Enhanced Aftermarket Products**

- GM 8.1 Liter Engine

- School Buses, Shuttles under 26m GVW

- GM 6.0 Liter Engine

- Vans, Pickups

- Potential Offerings using other OEMs

- **Traditional Aftermarket Products (49 States)**

- Parnell USA, DRV, SEQUIN



**LACK OF VEHICLES IS THE CURRENT  
WEAK LINK**





# How Can California Reach its Goals?

- **Existing State Bi-Fuel Fleet should use PROPANE-not gasoline**
  - ~\$900,000 in Refueling Infrastructure Funding has helped
  - Not enough vehicles using the system (74 CalTrans, 38 DWR, 1 AG)
  - Propane powered vehicle can offset 8-36,000 gallons over its 7 year life
- **Incentive dollars need redirection into helping offset the premium of making a vehicle operate on propane**
  - Vehicle Upfit Costs are High (\$5,000 each)
  - 50% of the cost is Government regulation related
  - OEMS and their DEEP Pockets are NOT coming back
- **CARB should lighten up on the small system manufacturer**
  - Manufacturer perceived recall risks outweigh the financial rewards
    - CARB overemphasis on regulating forklift emissions will drive existing propane users towards diesel and gasoline use as well
  - CARB should NOT be over-regulating in opposition of other important State goals and objectives
- **Without strong coordination between the agencies, achieving a 2020 goal of 20% fuel displacement is questionable.**



# How to Contact Us

Clean Fuel USA

PO Box 3068

Paso Robles, CA 93447

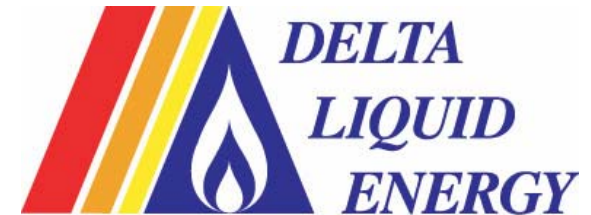
(805) 239-0616

Jon Bogart, Director Alternative  
Fuel Sales

[www.cleanfuelusa.com](http://www.cleanfuelusa.com)



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**ConocoPhillips**

